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6 Attorneys For Creditor Charles H. Moore

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8 UNITED STATES BANKRUPTCY COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
10 SAN JOSE DIVISION

11 IN RE:

12 TECHNOLOGY PROPERTIES LIMITED,  
LLC, a California limited liability company,

13 Debtor.

Case No.: 13-51589-SLJ-11

Chapter 11

Date: October 2, 2014  
Time: 3:00 p.m.  
Place: Courtroom 3099  
280 South First Street  
San Jose, California

Honorable Stephen L. Johnson

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19 **REPLY DECLARATION OF KENNETH H. PROCHNOW IN FURTHER SUPPORT OF MOTION TO  
APPOINT CHAPTER 11 TRUSTEE; AND TO REMOVE DEBTOR-IN-POSSESSION**

20 I, Kenneth H. Prochnow, declare:

- 21 1. I am over the age of 18 and am competent to and would testify to all matters set  
22 forth in this Declaration if called upon to do so as a witness.
- 23 2. I am an attorney at law and member of the State Bar of California, duly admitted  
24 to practice before the state courts of California and before this Honorable Court. In this case, I  
25 represent Charles H. Moore, the co-inventor of the so-called "MMP Portfolio of patents;" the  
26 proponent of the pending "Moore Monetization Plan of Reorganization" ("MMP Plan") and the  
27 "Disclosure Statement re Moore Monetization Plan of Reorganization" ("Disclosure  
28 Statement"), both submitted August 28, 2014; and a creditor and interested party in this case. I

1 make this reply declaration in further support of Creditor Moore's pending motion to appoint a  
2 Chapter 11 Trustee in this case, and to remove the debtor-in-possession Daniel Leckrone.

3         3.         In papers before this Court, Creditor Moore has represented, truthfully, that the  
4 last MMP Portfolio license issued through Mr. Leckrone's company Alliacense was written in  
5 August 2013. I know the approximate dates and times when MMP licenses issue because Mr.  
6 Moore has since January 23, 2013 received an "off the top" percentage of the gross license fee  
7 for every MMP license that Alliacense issues. Those percentage payments flow through my  
8 firm's trust account from Phoenix Digital Solutions, Inc. ("PDS"). No such percentage payment  
9 has been received by my firm from PDS since the time for payment of the August 2013 license.

10         4.         On or about September 11, 2014, after submitting the papers in support of Mr.  
11 Moore's motion to appoint a Chapter 11 trustee and remove Mr. Leckrone, I learned of a press  
12 release issued by Patriot Scientific Corporation ("Patriot"). A true and correct copy of that  
13 press release is attached as Exhibit 1 hereto and is incorporated by this reference.

14         5.         Patriot's September 11, 2014 press release announces that "...Palace  
15 Entertainment has purchased an MMP Portfolio (™) license." Palace Entertainment is stated to  
16 be "an industry leader in providing amusement and entertainment in the USA."

17         6.         Palaceentertainment.com reveals that the company operates "7 theme parks, 10  
18 water parks and 20 family entertainment centers" "across the US."

19         7.         There is no indication that Palace Entertainment is in the chip design or chip  
20 manufacturing business.

21         8.         I have attempted in the days since September 11, 2014, and with increased  
22 urgency as the time for submission of reply papers approached, to determine whether this MMP  
23 Portfolio license – the first and only since August 2013 – is of a size that will yield substantial  
24 net revenues to TPL, to Patriot and to Mr. Moore. I have been advised by PDS' representatives  
25 (Messrs. Carl Johnson and Arockiyaswamy Venkidu) that Mr. Moore's percentage payment  
26 (from which I could calculate the gross license proceeds) will not be paid until mid- to late-  
27 October (since the license proceeds are not due until October).

28         9.         Further, I was advised at approximately 2:30 pm this afternoon that the amount

|of the gross license proceeds is confidential.

10. Palace Entertainment's status as an MMP outlier (an end user of an infringing product, rather than the manufacturer of the chip or computer employing MMP technology) suggests that this single license will be nominal in amount, yielding limited net proceeds to TPL and no proceeds for payment to its creditors. Mr. Venkidu (TPL's present PDS representative) and others to be present on October 2, 2014 will be able to advise the Court on the fact and amount of the Palace Entertainment MMP license, and I call upon them to do so, in camera if necessary, should the significance of this MMP license become germane to the Court's decision.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that this Declaration is executed on September 25, 2014.

/s/ Kenneth H. Prochnow

Kenneth H. Prochnow